

DEBTOR(S): Powell Valley Health Care, Inc.

**MONTHLY OPERATING REPORT**

**CHAPTER 11**

CASE NUMBER: 16-20326

**Form 2-A  
COVER SHEET**

For Period End Date: 12/31/2016

Accounting Method: ☒ Accrual Basis ☐ Cash Basis

**THIS REPORT IS DUE 21 DAYS AFTER THE END OF THE MONTH**

Mark One Box for Each  
Required Document:

Debtor must attach each of the following documents unless the U. S. Trustee  
has waived the requirement in writing. File the original with the Clerk of Court.  
Submit a duplicate, with original signature, to the U. S. Trustee.

Report/Document Attached	Previously Waived	REQUIRED REPORTS/DOCUMENTS
<input checked="" type="checkbox"/>	<input type="checkbox"/>	1. Cash Receipts and Disbursements Statement (Form 2-B)
<input checked="" type="checkbox"/>	<input type="checkbox"/>	2. Balance Sheet (Form 2-C)
<input checked="" type="checkbox"/>	<input type="checkbox"/>	3. Profit and Loss Statement (Form 2-D)
<input checked="" type="checkbox"/>	<input type="checkbox"/>	4. Supporting Schedules (Form 2-E)
<input checked="" type="checkbox"/>	<input type="checkbox"/>	5. Quarterly Fee Summary (Form 2-F)
<input checked="" type="checkbox"/>	<input type="checkbox"/>	6. Narrative (Form 2-G)
<input checked="" type="checkbox"/>	<input type="checkbox"/>	7. Bank Statements for All Bank Accounts (Redact all but last 4 digits of account number and remove check images)
<input checked="" type="checkbox"/>	<input type="checkbox"/>	8. Bank Statement Reconciliations for all Bank Accounts
<input type="checkbox"/>	<input type="checkbox"/>	9. Evidence of insurance for all policies renewed or replaced during month

***I declare under penalty of perjury that the following Monthly Operating Report, and any attachments thereto are true, accurate and correct to the best of my knowledge and belief.***

Executed on: \_\_\_\_\_

Print Name: Michael Long

Signature: \_\_\_\_\_

Title: Chief Financial Officer

**DEBTOR(S)** Powell Valley Health Care, Inc. **CASE NO:** 16-20326

**Form 2-B**  
**CASH RECEIPTS AND DISBURSEMENTS STATEMENT**

For Period: 12/01/2016 to 12/31/2016

**CASH FLOW SUMMARY**

	<u>Current Month</u>	<u>Accumulated</u>
<b>1. Beginning Cash Balance</b>	\$ <u>3,007,736</u> (1)	\$ <u>3,499,673</u> (1)
<b>2. Cash Receipts</b>		
Operations	3,617,141	28,400,973
Sale of Assets	0	0
Loans/advances	0	0
Other	0	2,170
<b>Total Cash Receipts</b>	\$ <u>3,617,141</u>	\$ <u>28,403,143</u>
<b>3. Cash Disbursements</b>		
Operations	4,046,540	28,977,904
Debt Service/Secured loan payment	0	0
Professional fees/U.S. Trustee fees	0	0
Professional fees paid from retainer (e.g. COLTAF accts)	0	0
Other	0	346,575
<b>Total Cash Disbursements</b>	\$ <u>4,046,540</u>	\$ <u>29,324,479</u>
<b>4. Net Cash Flow (Total Cash Receipts less     Total Cash Disbursements)</b>	<u>-429,399</u>	<u>-921,336</u>
<b>5 Ending Cash Balance (to Form 2-C)</b>	\$ <u><u>2,578,337</u></u> (2)	\$ <u><u>2,578,337</u></u> (2)

**CASH BALANCE SUMMARY**

	<u>Financial Institution</u>	<u>Book Balance</u>
Petty Cash	<u>Powell Valley Healthcare</u>	\$ 2,170
DIP Operating Account	<u>1st Bank Wyo 8425</u>	-939,255
DIP State Tax Account	<u></u>	0
DIP Payroll Account	<u>1st Bank Wyo 4501</u>	10,347
Other Operating Account	<u>1st Bank Wyo See form 2G</u>	3,505,075
Retainers held by professionals (i.e. COLTAF)	<u></u>	0
<b>TOTAL (must agree with Ending Cash Balance above)</b>		\$ <u><u>2,578,337</u></u> (2)

- (1) Accumulated beginning cash balance is the cash available at the commencement of the case and retainers.  
Current month beginning cash balance should equal the previous month's ending balance.
- (2) All cash balances should be the same.



DEBTOR(S): Powell Valley Health Care, Inc.

CASE NO:

16-20326

**Form 2-B**  
**CASH RECEIPTS AND DISBURSEMENTS STATEMENT**

For Period: 12/01/2016 to 12/31/2016

**CASH RECEIPTS DETAIL**

**Account No:**

**7301**

*(attach additional sheets as necessary)*

Date	Payer	Description	Amount
12/01/2016	Medicare EFT	Patient/Resident account	34,449.31
12/01/2016	Other Commercial	Patient/Resident account	552.65
12/01/2016	Other	Cash payments	22,381.93
12/01/2016	Other EFT	Patient/Resident account	85,316.83
12/02/2016	Medicare EFT	Patient/Resident account	23,100.86
12/02/2016	Cigna	Patient/Resident account	10,520.07
12/02/2016	Other Commercial	Patient/Resident account	54,337.55
12/02/2016	Other	Cash payments	3,787.59
12/02/2016	Other EFT	Patient/Resident account	117,102.17
12/05/2016	Medicare EFT	Patient/Resident account	21,695.29
12/05/2016	Aetna/Blue Cross	Patient/Resident account	9,057.36
12/05/2016	Cigna	Patient/Resident account	589.95
12/05/2016	Other Commercial	Patient/Resident account	7,024.84
12/05/2016	Other	Cash payments	6,245.17
12/05/2016	Other EFT	Patient/Resident account	94,073.03
12/06/2016	Medicare EFT	Patient/Resident account	25,782.96
12/06/2016	Aetna/Blue Cross	Patient/Resident account	66,757.88
12/06/2016	Other Commercial	Patient/Resident account	37,600.31
12/06/2016	Other	Cash payments	50,069.77
12/06/2016	Other EFT	Patient/Resident account	19,219.98
12/07/2016	Medicare EFT	Patient/Resident account	16,509.44
12/07/2016	Cigna	Patient/Resident account	31,570.99
12/07/2016	Other Commercial	Patient/Resident account	12,373.08
12/07/2016	Other	Cash payments	8,664.00
12/07/2016	Other EFT	Patient/Resident account	42,191.03
12/08/2016	Medicare EFT	Patient/Resident account	36,143.39
12/08/2016	Other Commercial	Patient/Resident account	44,623.78
12/08/2016	Other	Cash payments	10,443.54
12/08/2016	Other EFT	Patient/Resident account	15,284.35
12/09/2016	Medicare EFT	Patient/Resident account	54,752.80
12/09/2016	Other Commercial	Patient/Resident account	49,164.71
12/09/2016	Other	Cash payments	16,050.35
12/09/2016	Other EFT	Patient/Resident account	65,250.90
12/12/2016	Medicare EFT	Patient/Resident account	304.97
12/12/2016	Aetna/Blue Cross	Patient/Resident account	21,642.50
12/12/2016	Cigna	Patient/Resident account	2,561.77
12/12/2016	Other Commercial	Patient/Resident account	13,864.57
12/12/2016	Other	Cash payments	12,606.99
12/12/2016	Other EFT	Patient/Resident account	348,526.13
12/13/2016	Medicare EFT	Patient/Resident account	326.89
12/13/2016	Aetna/Blue Cross	Patient/Resident account	154,907.31
12/13/2016	Cigna	Patient/Resident account	22,574.68
12/13/2016	Other Commercial	Patient/Resident account	80,874.41
12/13/2016	Other	Cash payments	56,035.45
12/13/2016	Other EFT	Patient/Resident account	20,658.67
12/14/2016	Medicare EFT	Patient/Resident account	48,526.29
12/14/2016	Cigna	Patient/Resident account	451.27
12/14/2016	Other Commercial	Patient/Resident account	41,769.34
12/14/2016	Other	Cash payments	3,867.50
12/14/2016	Other EFT	Patient/Resident account	12,682.77
12/15/2016	Medicare EFT	Patient/Resident account	29,965.57
12/15/2016	Other Commercial	Patient/Resident account	15,318.26
12/15/2016	Other	Cash payments	26,986.11
12/15/2016	Other EFT	Patient/Resident account	18,201.34
12/16/2016	Medicare EFT	Patient/Resident account	30,921.62

DEBTOR(S): Powell Valley Health Care, Inc.

CASE NO:

16-20326

**Form 2-B**  
**CASH RECEIPTS AND DISBURSEMENTS STATEMENT**

For Period: 12/01/2016 to 12/31/2016

**CASH RECEIPTS DETAIL**

*(attach additional sheets as necessary)*

Account No:

**7301**

Date	Payer	Description	Amount
12/16/2016	Other Commercial	Patient/Resident account	15,953.38
12/16/2016	Other	Cash payments	15,052.56
12/16/2016	Other EFT	Patient/Resident account	5,864.50
12/19/2016	Medicare EFT	Patient/Resident account	65,872.83
12/19/2016	Aetna/Blue Cross	Patient/Resident account	15,910.50
12/19/2016	Other Commercial	Patient/Resident account	68,662.35
12/19/2016	Other	Cash payments	5,402.93
12/19/2016	Other EFT	Patient/Resident account	193,577.50
12/20/2016	Medicare EFT	Patient/Resident account	29,695.03
12/20/2016	Aetna/Blue Cross	Patient/Resident account	172,705.83
12/20/2016	Cigna	Patient/Resident account	27,643.85
12/20/2016	Other Commercial	Patient/Resident account	48,536.12
12/20/2016	Other	Cash payments	33,268.91
12/20/2016	Other EFT	Patient/Resident account	16,382.22
12/21/2016	Medicare EFT	Patient/Resident account	24,491.73
12/21/2016	Other Commercial	Patient/Resident account	15,211.40
12/21/2016	Other	Cash payments	11,065.50
12/21/2016	Other EFT	Patient/Resident account	52,879.20
12/22/2016	Medicare EFT	Patient/Resident account	15,723.12
12/22/2016	Other Commercial	Patient/Resident account	85,935.20
12/22/2016	Other	Cash payments	10,291.50
12/22/2016	Other EFT	Patient/Resident account	16,989.90
12/23/2016	Medicare EFT	Patient/Resident account	14,150.18
12/23/2016	Other Commercial	Patient/Resident account	14,118.33
12/23/2016	Other	Cash payments	6,622.48
12/23/2016	Other EFT	Patient/Resident account	1,638.01
12/27/2016	Medicare EFT	Patient/Resident account	16,472.64
12/27/2016	Aetna/Blue Cross	Patient/Resident account	21,193.11
12/27/2016	Other Commercial	Patient/Resident account	19,071.00
12/27/2016	Other	Cash payments	5,960.61
12/27/2016	Other EFT	Patient/Resident account	115,888.54
12/28/2016	Medicare EFT	Patient/Resident account	12,811.32
12/28/2016	Aetna/Blue Cross	Patient/Resident account	88,703.66
12/28/2016	Cigna	Patient/Resident account	43,738.05
12/28/2016	Other Commercial	Patient/Resident account	36,334.15
12/28/2016	Other	Cash payments	24,077.06
12/28/2016	Other EFT	Patient/Resident account	10,815.97
12/29/2016	Medicare EFT	Patient/Resident account	49,015.05
12/29/2016	Cigna	Patient/Resident account	81.11
12/29/2016	Other Commercial	Patient/Resident account	19,726.81
12/29/2016	Other	Cash payments	17,961.40
12/29/2016	Other EFT	Patient/Resident account	13,896.19
12/30/2016	Medicare EFT	Patient/Resident account	19,773.03
12/30/2016	Cigna	Patient/Resident account	490.20
12/30/2016	Other Commercial	Patient/Resident account	30,270.32
12/30/2016	Other	Cash payments	6,403.75
12/30/2016	Other EFT	Patient/Resident account	24,550.12

**Total Cash Receipts**

**\$ 3,617,141.42 (1)**

(1) Total for all accounts should agree with total cash receipts listed on Form 2-B, page 1



**DEBTOR(S):** Powell Valley Health Care, Inc.

**CASE NO:** 16-20326

**Form 2-B**  
**CASH RECEIPTS AND DISBURSEMENTS STATEMENT**

For Period: 12/01/2016 to 12/31/2016

**CASH DISBURSEMENTS DETAIL**  
*(attach additional sheets as necessary)*

**Account No:**

**# 8425**

Date	Check No.	Payee	Description (Purpose)	Amount
12/06/16	EFT	Electronic Funds Transfer	Trsf to EMBS act 6301	52,881.92
12/07/16	EFT	Electronic Funds Transfer	Trsf to payroll act 4501- auto deposit	585,765.71
12/07/16	EFT	Electronic Funds Transfer	Trsf to payroll act 4501- manual chks	9,856.58
12/12/16	EFT	Electronic Funds Transfer	FICA payroll taxes	95,882.26
12/12/16	EFT	Electronic Funds Transfer	Federal withholding payroll taxes	118,975.33
12/13/16	EFT	Electronic Funds Transfer	Trsf to pension act 7901	48,929.83
12/13/16	EFT	Electronic Funds Transfer	Trsf to payroll act 4501- manual chks	370.70
12/14/16	EFT	Electronic Funds Transfer	Trsf to EMBS act 6301	109,369.34
12/14/16	EFT	Electronic Funds Transfer	Montana state tax	969.00
12/21/16	EFT	Electronic Funds Transfer	Trsf to payroll act 4501- auto deposit	596,549.26
12/21/16	EFT	Electronic Funds Transfer	Trsf to payroll act 4501- manual chks	13,137.92
12/27/16	EFT	Electronic Funds Transfer	FICA payroll taxes	99,390.53
12/27/16	EFT	Electronic Funds Transfer	Federal withholding payroll taxes	120,919.75
12/27/16	EFT	Electronic Funds Transfer	Trsf to pension act 7901	43,990.16
12/29/16	EFT	Electronic Funds Transfer	Montana state tax	969.00
12/29/16	EFT	Electronic Funds Transfer	Trsf to HRA/Flex Spending act 3101	1,250.00
12/29/16	EFT	Electronic Funds Transfer	Trsf to EMBS act 6301	291,309.82
12/30/16	EFT	Electronic Funds Transfer	Trsf to EMBS act 6301	104,009.78

4183-4554 Accounts Payable checks See attached check register 1,752,013.40

**Total Cash Disbursements** \$ 4,046,540.29 (1)

(1) Total for all accounts should agree with total cash disbursements listed on Form 2-B, page 1

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Form 2-C

**COMPARATIVE BALANCE SHEET**

For Period Ended: 12/31/2016

	Current Month	Petition Date (1)
<b>ASSETS</b>		
<b>Current Assets:</b>		
Cash (from Form 2-B, line 5)	\$ 2,578,337	\$ 4,255,881
Accounts Receivable (from Form 2-E)	7,752,068	8,383,526
Receivable from Officers, Employees, Affiliates	0	0
Inventory	749,922	757,444
Other Current Assets :(List)	1,086,546	865,872
Pre-paid Expense	11,450,000	11,450,000
Receivable from legal settlements		
<b>Total Current Assets</b>	<b>\$ 23,616,873</b>	<b>\$ 25,712,723</b>
<b>Fixed Assets:</b>		
Land	\$ 0	\$ 0
Building	694,434	694,434
Equipment, Furniture and Fixtures	10,056,575	9,997,873
<b>Total Fixed Assets</b>	<b>10,751,009</b>	<b>10,692,307</b>
Less: Accumulated Depreciation	( 8,677,247 )	( 8,254,973 )
<b>Net Fixed Assets</b>	<b>\$ 2,073,762</b>	<b>\$ 2,437,334</b>
Other Assets (List):	0	0
	0	0
<b>TOTAL ASSETS</b>	<b>\$ 25,690,635</b>	<b>\$ 28,150,057</b>
<b>LIABILITIES</b>		
Post-petition Accounts Payable (from Form 2-E)	\$ 496,220	\$ 1,167,152
Post-petition Accrued Profesional Fees (from Form 2-E)	186,936	250,000
Post-petition Taxes Payable (from Form 2-E)	146,605	172,650
Post-petition Notes Payable	132,099	128,056
Other Post-petition Payable(List): see schedul 2G liab	1,942,338	3,405,269
Legal claim reserve	11,750,000	11,750,000
<b>Total Post Petition Liabilities</b>	<b>\$ 14,654,198</b>	<b>\$ 16,873,127</b>
<b>Pre Petition Liabilities:</b>		
Secured Debt	1,073,222	1,153,923
Priority Debt	0	0
Unsecured Debt	1,434,404	1,415,297
<b>Total Pre Petition Liabilities</b>	<b>\$ 2,507,626</b>	<b>\$ 2,569,220</b>
<b>TOTAL LIABILITIES</b>	<b>\$ 17,161,824</b>	<b>\$ 19,442,348</b>
<b>OWNERS' EQUITY</b>		
Owner's/Stockholder's Equity	\$ 0	\$ 0
Retained Earnings - Prepetition	8,691,606	8,691,606
Retained Earnings - Post-petition	-162,795	16,103
<b>TOTAL OWNERS' EQUITY</b>	<b>\$ 8,528,811</b>	<b>\$ 8,707,709</b>
<b>TOTAL LIABILITIES AND OWNERS' EQUITY</b>	<b>\$ 25,690,635</b>	<b>\$ 28,150,057</b>

(1) Petition date values are taken from the Debtor's balance sheet as of the petition date or are the values listed on the Debtor's schedules.

**DEBTOR(S):** Powell Valley Health Care, Inc.

**CASE NO:** 16-20326

**Form 2-D**  
**PROFIT AND LOSS STATEMENT**  
**For Period** 12/01/2016 **to** 12/31/2016

	Current Month	Accumulated Total (1)
Gross Operating Revenue	\$ 6,236,139	\$ 45,765,322
Less: Discounts, Returns and Allowances	( 1,986,501 )	( 17,876,743 )
<b>Net Operating Revenue</b>	<b>\$ 4,249,638</b>	<b>\$ 27,888,579</b>
Cost of Goods Sold	3,339,776	24,996,656
<b>Gross Profit</b>	<b>\$ 909,862</b>	<b>\$ 2,891,923</b>
Operating Expenses		
Officer Compensation	\$ 20,142	\$ 112,781
Selling, General and Administrative	0	0
Rents and Leases	83,497	632,527
Depreciation, Depletion and Amortization	61,363	459,246
Other (list): <u>Repairs</u>	61,426	389,243
<u>Insurance</u>	56,712	435,595
Total Operating Expenses	\$ 283,140	\$ 2,029,392
<b>Operating Income (Loss)</b>	<b>\$ 626,722</b>	<b>\$ 862,531</b>
Non-Operating Income and Expenses		
Other Non-Operating Expenses	\$ 0	\$ 0
Gains (Losses) on Sale of Assets	0	0
Interest Income	0	0
Interest Expense	-1,081	-31,692
Other Non-Operating Income	0	0
Net Non-Operating Income or (Expenses)	\$ -1,081	\$ -31,692
Reorganization Expenses		
Legal and Professional Fees	\$ 250,991	\$ 993,634
Other Reorganization Expense	0	0
Total Reorganization Expenses	\$ 250,991	\$ 993,634
<b>Net Income (Loss) Before Income Taxes</b>	<b>\$ 374,650</b>	<b>\$ -162,795</b>
Federal and State Income Tax Expense (Benefit)	0	0
<b>NET INCOME (LOSS)</b>	<b>\$ 374,650</b>	<b>\$ -162,795</b>

(1) Accumulated Totals include all revenue and expenses since the petition date.

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DEBTOR(S):

Powell Valley Health Care, Inc.

CASE NO: 16-20326

Form 2-E (Page 1 of 2)  
SUPPORTING SCHEDULES

For Period: 12/01/2016 to 12/31/2016

Summary of Post-Petition Taxes				
Type of tax	1	2	3	4
	Unpaid post-petition taxes from prior reporting month(1)	Post-petition taxes accrued this month (new obligations)	Post-petition tax payments made this reporting month	Unpaid post-petition taxes at end of reporting month (columns 1+2-3)
<b>Federal</b>				
Employee income tax withheld		239,895	239,895	
Employee FICA taxes withheld		99,150	99,150	
Employer FICA taxes		96,122	96,122	
Unemployment taxes				
Other:				
<b>State</b>				
Sales, use & excise taxes	135	45		180
Unemployment taxes	3,435	(1,860)		1,575
Other: Worker Compensation	146,490	(1,640)		144,850
<b>Local</b>				
Personal property taxes				
Real property taxes				
Other:				
<b>Total unpaid post-petition taxes</b>				<b>146,605</b>

(1) For first report, the beginning balance in column 1 will be \$0; thereafter, beginning balance will be ending balance from prior report.

Insurance Coverage Summary				
Type of insurance	Insurance carrier	Coverage amount	Policy expiration date	Premium paid through date
Workers' compensation	State of Wyoming	Not Applicable	Not Applicable	Not Applicable
General liability	National Fire & Risk/AB Risk, USI Insurance Service	\$1M/\$5M \$5M Umbrella	08/01/2017	03/31/2017
Property (fire, theft, etc.)	Affiliated FM Insurance Company, USI Insurance Service	Bldg \$100m Flood \$75m	08/01/2017	07/31/2017
Vehicle	National Indemnity Company/RPS, Ohio Security Insurance, USI Insurance Service	\$1M auto & \$1m Ambular	08/01/2017	07/31/2017
Other (list): Director & Officer Liability	Darwin National Assurance Co., USI Insurance Service	\$2m	09/07/2017	09/07/2017
Other (list): Internet/Cyber Liability	NAS/Lloyd's of London, USI Insurance Service	\$1m/claim \$1m/agg	09/01/2017	09/01/2017
Other (list): Crime	Travelers Casualty and Surety, USI Insurance Service	\$500,000	08/01/2017	07/31/2017

If any policies were renewed or replaced during reporting period, attach new certificate of insurance.



DEBTOR(S): Powell Valley Health Care, Inc.

CASE NO: 16-20326

Form 2-E (Page 2 of 2)  
SUPPORTING SCHEDULES

For Period: 12/01/2016 00:00 to 12/31/2016 00:00

Accounts Receivable Aging Summary (attach detailed aging report)					
	30 days or less	31 to 60 days	61 to 90 days	Over 90 days	Total at month end
Pre-petition receivables				877,915	877,915
Post-petition receivables	3,529,295	1,530,252	834,428	980,178	6,874,153
Total	3,529,295	1,530,252	834,428	1,858,093	7,752,068

Post-Petition Accounts Payable Aging Summary (attach detailed aging report)					
	30 days or less	31 to 60 days	61 to 90 days	Over 90 days	Total at month end
Trade Payables	469,732	27,206	8,816	3,620	509,375
Other Payables	(37,754)	4,350	4,350	15,900	(13,154)
Total	431,978	31,556	13,166	19,520	496,220

SCHEDULE OF PAYMENTS TO ATTORNEYS AND OTHER PROFESSIONALS					
	Month-end Retainer Balance	Current Month's Accrual	Paid in Current Month	Court Approval Date	Month-end Balance Due *
Debtor's Counsel	\$228,501	30,600	99,568	12/22/16	\$159,533
Counsel for Unsecured Creditors' Committee		40,610	13,206	12/6/16	\$27,403
Trustee's Counsel					
Accountant		13,152	13,152	08/24/16	
Other:		315	315	08/24/16	
Total	228,501	84,675	126,240		186,936

\*Balance due to include fees and expenses incurred but not yet paid.

SCHEDULE OF PAYMENTS AND TRANSFERS TO PRINCIPALS/EXECUTIVES**			
Payee Name	Position	Nature of Payment	Amount
Michael Long	Chief Financial Officer	Salary/Wages	20,142

\*\*List payments and transfers of any kind and in any form made to or for the benefit of any proprietor, owner, partner, shareholder, officer, or director.

DEBTOR(S): Powell Valley Health Care, Inc.

CASE NO: 16-20326

**Form 2-F**  
**QUARTERLY FEE SUMMARY \***  
**For the Month Ended: 12/31/2016**

<u>Month</u>	<u>Year</u>	<u>Cash Disbursements **</u>	<u>Quarterly Fee Due</u>	<u>Check No.</u>	<u>Date Paid</u>
January		\$ 0			
February		0			
March		0			
<b>TOTAL 1st Quarter</b>	<b>\$</b>	<b>0 \$</b>			
April		0			
May	20 16	1,330,126			
June	20 16	3,481,838			
<b>TOTAL 2nd Quarter</b>	<b>\$</b>	<b>4,811,964 \$</b>	325 10,075	2,551 2,919	07/19/16 08/22/16
July	20 16	4,385,351			
August	20 16	4,176,264			
September	20 16	3,938,695			
<b>TOTAL 3rd Quarter</b>	<b>\$</b>	<b>12,500,310 \$</b>	13,000	3,605	10/18/16
October	20 16	4,223,353			
November	20 16	3,742,311			
December	20 16	4,046,540			
<b>TOTAL 4th Quarter</b>	<b>\$</b>	<b>12,012,204 \$</b>	13,000		

**FEE SCHEDULE (as of JANUARY 1, 2008)**

*Subject to changes that may occur to 28 U.S.C. §1930(a)(6)*

<u>Quarterly Disbursements</u>	<u>Fee</u>	<u>Quarterly Disbursements</u>	<u>Fee</u>
\$0 to \$14,999.....	\$325	\$1,000,000 to \$1,999,999.....	\$6,500
\$15,000 to \$74,999.....	\$650	\$2,000,000 to \$2,999,999.....	\$9,750
\$75,000 to \$149,999.....	\$975	\$3,000,000 to \$4,999,999.....	\$10,400
\$150,000 to \$224,999.....	\$1,625	\$5,000,000 to \$14,999,999.....	\$13,000
\$225,000 to \$299,999.....	\$1,950	\$15,000,000 to \$29,999,999....	\$20,000
\$300,000 to \$999,999.....	\$4,875	\$30,000,000 or more	\$30,000

\* This summary is to reflect the current calendar year's information cumulative to the end of the reporting period

\*\* Should agree with line 3, Form 2-B. Disbursements are net of transfers to other debtor in possession bank accounts

*Failure to pay the quarterly fee is cause for conversion or dismissal of the chapter 11 case. [11 U.S.C. Sec. 1112(b)(10)]*

*In addition, unpaid fees are considered a debt owed to the United States and will be assessed interest under 31 U.S.C. §3717*

Rev. 1/15/14



**DEBTOR(S)** Powell Valley Health Care, Inc.

**CASE NO:** 16-20326

**Form 2-G  
NARRATIVE**

**For Period Ending:** 12/31/2016

Please provide a brief description of any significant business and legal actions taken by the debtor, its creditors, or the court during the reporting period, any unusual or non-recurring accounting transactions that are reported in the financial statements, and any significant changes in the financial condition of the debtor which have occurred subsequent to the report date.

**FORM 2B-1 Line 50**, Cash Accounts are made up of General Checking #701, EBMS Checking #6301, Flex Spending #3101, Care Center Resident Trust #2088, Employee Benefit #5601, and Pension #7901. Form 2B-3 Cash Disbursements other of \$15,000 is for vendor deposits made during the period. **Form 2C- Liabilities**, line 38 Other Payables, this line is made up of accrued Provider Incentives \$397,719, Accrued Payroll \$1,083,042, 3rd Party Receivable/Payable (Medicare Cost Report Settlement) \$(291,326), Assisted Living Room Retainer \$30,500, NH Resident Trust \$7,540, Donations \$8, and Accrued Benefits \$714,855. **Form 2D** Officer compensation equals the amount listed on Form 2E. Rent, Depreciation, Interest, Repairs, and Insurance come from facility income statement, all other expenses is combined into cost of goods sold. **Form 2-E pg 2** Debtor counsel fees of \$30,599.65 paid during the month plus \$68,968.01 of the retainer was used for payment of holdback amounts. Accountant fees of \$13,151.50 are for Casey Peterson & Associates LLC for progress billing of FY2016 audit and cost report completion. "Other" fees are for Copenhaver, Kath, Kitchen, & Kolpitcke for non-chapter 11 hospital legal counsel of \$751.20 and Polsinelli PC for non-chapter 11 hospital legal counsel of \$314.60.